

CLARK COUNTY-CITY OF VANCOUVER HOME CONSORTIUM PROJECT PROPOSAL INSTRUCTIONS

1. TITLE AND PROJECT SPONSOR

- The title should be a briefly stated description of the proposed project, for example, *Evergreen Street Apartments*.
- Enter the name of the agency applying for funds, mailing address, contact person and phone number. The contact person should be the person who prepared the project proposal or who can answer questions regarding the project.
- The person signing the proposal form should be the person who is authorized by the sponsor's governing body to submit the proposal on behalf of the sponsor (e.g. Chief Administrative Officer, Chairperson of Board of Directors, etc.). Submit information documenting approval by the Board, Commissioners, or Council (examples of documentation would include copy of minutes or resolution) authorizing submittal of the application.
- Joint applications are not acceptable; please designate a lead agency to submit the application.
- Eligible applicants include non-profits housing developers/owners (must have IRS 501 (c)(3) designation), government agencies, and for-profit developers/owners who have experience in housing development preferably affordable housing.

2. SUMMARY OF PROBLEM AND SOLUTION

Summarize your housing problem and proposed solution in one to two sentences each.

3. ACTIVITY TYPE

Check the appropriate activity box.

4. TARGET POPULATION INCOME LEVEL

Provide the number of units that will be occupied at each income level, and the total units.

5. COST

- Enter the total amount of HOME dollars requested, round to the nearest hundred dollars.
- Enter the total dollar amount of other resources that will be available to supplement the HOME request.
- Add the above two numbers together to derive the total project cost.
- Please note: the maximum HOME award is \$500,000.

For the following questions, please try to limit your answers to no more than one page per section. Sections are labeled a, b, c, etc.

6. PROJECT DESCRIPTION

Provide a succinct, complete description of the project and the population to be served.

- A. Describe the type of household and/or population to be served in the housing, include information such as the number of tenants, the size and description of households, known special characteristics of tenants (i.e., age, disabilities, special needs, etc.) and

an estimate of the amounts and sources of tenant incomes. Provide a description of the living arrangement, such as individual apartment units or shared housing, on-site management, or any on-site services to be provided.

- B. Describe your efforts to determine if the market supports your project objectives. Provide documentation supporting your findings; i.e. market analysis, feasibility study. Describe the existing housing near the proposed project site. Explain how competitive properties, income levels, or other factors such as housing trends or population affect the marketability.
- C. Describe the site, the location, list the address, and indicate the status of site control and zoning. If any offers for acquisition have been made, please provide a narrative to describe the details and attach copies of any option agreements.
 - Provide a detailed description of any planned construction, rehabilitation or other site improvements. Give enough detail to determine if wetland or flood plain issues have been addressed, and if any additional costs may be involved to bring the site into regulatory compliance for federal funding (i.e. hazard/toxic waste considerations, asbestos removal). Indicate whether the site is within 300 feet of a natural body of water. Also, please indicate if a *Phase I Environmental Site Assessment* has been completed. If so, attach a copy.
 - Describe the building(s) -- including age, property conditions, number of units, the size of units, bedrooms, baths, common areas, and parking.
 - Attach a copy of any architectural drawings, site maps, or site plans that are available.
- D. Explain how this project is creative or unique in expanding or preserving affordable housing in our community. Describe any special design features, energy-saving features, multiple-use features, creative financing, new services, or special features not found in similar projects.

6. Standard for Review: Maximum score is 30 points, 30% of total points.

7. **PROPOSED PROJECT FUNDING**

- Describe how the proposed solution is the most effective.
- Explain why HOME funds are critical to this project.
- Explain in detail the source and amount of your match.
- Identify if the match is a loan or grant or from the sale of bonds. (The minimum non-federal match requirement is 25% for all HOME eligible activities).
- Include a discussion of other funding sources that are being used in this project.

7. Standard for Review: Maximum score is 20 points for the minimum 25% HOME eligible match. Additional HOME eligible match exceeding minimum 25% will generate additional points as follows:

Match of 25.1% - 35.9%	1 point
Match of 36% - 45.9%	2 points
Match of 46% - 55.9%	3 points
Match of 56 + %	5 points
Maximum score is 25 points, 25% of total points	

8. **DESCRIBE LOCAL PLANS AND POLICIES AS THEY RELATE TO THIS APPLICATION**

- Outline the relationship of the proposed project to city and county comprehensive growth management plans, and zoning requirements. Identify any major transportation routes and employment centers located in close proximity to the project site.
- Which of the following Clark County Affordable Housing Objectives identified in the Consolidated Housing and Community Development Plan does this project meet? Please check the appropriate box on your application and support your response with the narrative.
- Provide priority need level of the proposed activity based on the attached **Priority Needs Summary Table**.

8. Standard for Review: Maximum score is 10 points, 10% of total points.

9. **ANTICIPATED OBJECTIVE, MEASUREABLE OUTCOME(S)**

Describe in measurable, objective terms the results you expect to achieve from this project. Your answer should include economic and social results.

9. Standard for Review: Maximum score is 10 points, 10% of total points.

10. **MANAGEMENT ABILITY**

- Describe how your organization can carry out this project and its ability to manage the project over time.
- Please provide a copy of the Agency's most recent complete Financial Statements and Audit. Complete Financial Statements should include a statement of financial position, statement of activities, cash flow statement, statement of changes in net assets and notes to financial statements, if available.
- Describe the management structure and staffing of your organization.
- Identify other organizations involved in the development of this project.
- List any projects you may have in development, provide project status and completion date.
- Non-profit organizations must submit a copy of their Charter or Articles of Incorporation and IRS documentation showing qualification as a non-profit corporation under Section

501(c)(3) of the IRS Code, with the proposal application. Include documentation with application.

10. Standard for Review: Maximum score is 10 points, 10% of total points.

11. WORK PLAN AND SCHEDULE

- Provide a detailed work plan showing all the activities and sub-activities of the projects (for example, financing, closing, and construction) and a completion date for each activity and sub-activity.
- List past, current, and future tasks necessary for timely completion and ongoing management.

When preparing the work plan and schedule, please consider all the other funding source requirements and state and local permitting.

11. Standard for Review: Maximum score is 5 points, 5% of total points.

12. COMMITTED AND CONDITIONAL FUNDS

Fill in all funds expected to be used.

13. ECONOMIC CHARACTERISTICS OF NEIGHBORHOOD

- The site should be located so that it will provide housing opportunities for minorities and lower income households outside existing areas of low(er) income concentrations. Census data is used in this measurement because it is generally accepted as being reputable and no other information is available in an aggregated form to measure these characteristics.
- Attached is the definition and assigned points for Economic Characteristics of Neighborhoods.

13. Standard for Review: Maximum score is 5 points, 5% of total points.

14. ASSOCIATED SERVICES

- Describe in detail the associated social services such as case management, day treatment, or other services that will be provided or coordinated for special populations.
- Please attach any contractual agreements that are currently in place or proposed for the provision of services and the source of funds.
- Describe any licensing requirements associated with the project. Give a timeline for obtaining licenses and/or permits.
- Explain how your program partners with community organizations, and services to assist your clients, tenants, and potential customers.

14. Standard for Review: Maximum score is 5 points, 5% of total points.

15. ACQUISITION

- Fill in the property status; attach a map showing location of project and provide distance to nearest community services.
- Indicate whether the owner of the property has been contacted. If so, include a copy of the URA acquisition notice that was issued. Attach a copy of any option agreements.
- If acquisition or rehabilitation of property occupied by residential or business tenants is anticipated, indicate the number of tenant households or businesses to be displaced. The estimate of displacement should be based upon the number of tenant households occupying the facility at the time of project application.
- Displacement or relocation is strongly discouraged.
- If displacement and/or relocation occur, the Clark County HOME Program may manage the displacement and relocation charging the project for all costs.
- Where displacement is unavoidable, relocation assistance shall be provided consistent with the Uniform Relocation Act (URA) or Section 104(d) One-for-One Replacement and will add to the cost of the project.
- An MAI independent appraisal and a full house inspection must be completed for the property;
- Acquisition or rehabilitation of housing built before 1978 will require a lead hazard evaluation, and possible lead hazard reduction. The lead hazard reduction can involve identification and either stabilizing deteriorating paint, the control of the hazard, or abatement. Lead-based paint hazard reduction can be expensive and time consuming.

15. Standard for Review: Score can range from a maximum of 0 for no relocation or displacement to a minimum of (-20) points if there is relocation and/or displacement, 0% to -6% of total points.

16. STATUS OF PREVIOUS PROJECTS – No Points Assigned

List all Clark County HOME Consortium projects receiving funding in the last five years, the proposed, and completed units including dates. Please explain any deviations from schedule and number of units completed.

17. CHDO REQUIRED DOCUMENTATION (*this applies only to Community Housing Development Organizations*) No Points Assigned

The CHDO is intended to respond to a specific community need. Therefore, the structure of the board of directors of a CHDO is viewed as the main indicator of community control over the CHDO. The CHDO Board must be composed as follows:

- At least one-third must be representatives of the low-income community;
- No more than one-third may be representatives of the government;

- The balance is unrestricted, and may include people such as human and social service providers, lenders, individuals with access to philanthropic resources, or others willing to contribute their professional expertise.

Provide a list of names and addresses of your CHDO board members and identify and document which members constitute the above elements of the CHDO requirement (CHDO Self-Certification form). Also, please provide a copy of your current by-laws, resolutions, or a written statement of operating procedures approved by the governing body showing that the CHDO provides a formal process for low-income program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of affordable housing projects.

Provide a notarized statement by the president or chief financial officer of the organization or a certification from a Certified Public Accountant showing that the CHDO conforms to the financial accountability standards of 24 CFR 84.21, "Standards for Financial Management Systems."

Fill out the CHDO Board Member form and submit with the application.

CLARK COUNTY HOME CONSORTIUM PROJECT FINANCIAL CRITERIA

Staff will evaluate the development and operating budget of proposed housing projects based on the following criteria:

A. Revenue

- Vacancy rate should not be less than 5%. Special populations and senior housing may have a vacancy rate of 4%.

B. Operating Expenses

- Maintenance and repair should be between than \$200 - 250 per year per unit.
- Operating reserve should be based on 6 – 9 months of costs.
- Project management fees should be between 5 - 7%.
- Non-profit agencies can request a property tax exemption after the first year of operation; this should be incorporated into the budget.
- Total operating expenses should be between 40% – 50% of gross revenue.
- Debt Cover Ratio (Net Operating Income ÷ debt service) should be between 1:1.05 (1.05%) and 1:1.25 (1.25%).
- HOME loan to value ratio should not exceed 85 percent, if ratio is higher, please explain.
- The Break-Even Percentage (gross income and other income ÷ operating expenses and debt service) generally a maximum of 90%.

C. Developer Fee

- The developer fee limits listed below are based on an average project in complexity and funding. If the Developer fee for your project is higher than outlined, please provide a rationale.
- Please note that the developer fee is defined as a percentage of the total project. The total project cost can not include the developer fee.

Developer Fee

Units	Percentage of Project Cost
1 -10	11%
11 - 25	10%
26 - 60	9%
61 and above	8.25%

Maximum per Unit HOME Subsidy Limit

Bedrooms	Maximum Subsidy
Efficiency	\$88,058
1	100,941
2	122,743
3	158,788
4	174,300

As of January 2003

- Minimum expenditure is an average of \$1,000 per assisted unit.
- D. Ten percent of the HOME award will be retained until the project is complete and the HOME recipient has submitted the following:
- documentation showing the HOME assisted units meets applicable building codes or HQS
 - the project has received an occupancy permit
 - all federal labor standards have been met (if applicable)
 - the architect has certified that the minimum number of completed units meet Section 504 accessibility standards.

18. USES OF FINANCES – ALL FUND SOURCES

- Use the top half of the **Uses of Finances - All Funds Sources** form to identify all sources of funding for the project, including the amount, terms and conditions of the funds.
- Use the lower half of the **Uses of Finances - All Funds Sources** form to identify each cost item and the funding source for the particular cost item.
- Under the Predevelopment Cost and Construction Section, identify the requested cost per unit and square foot cost. Identify project components that add cost to the project, such as compliance with ADA, or investing in energy saving features/ products. Describe the value being added and why the project requires these components. Identify the assumptions made in creating the budget and describe the basis for those assumptions.

19. HOUSING OPERATING BUDGET

- Use the Operating Budget to calculate the affordability of the units as they relate to the tenants of rental projects. Pages 11 and 12 of the instructions have the income and rent limits for HOME projects.
- Calculate the gross potential income, net rental income, and effective gross income for the project for 20 years. HOME rents (for HOME assisted units) include all utilities except phone. If the renter pays any utilities, the rent must be reduced by that amount.

- Identify other operating costs and the cash flow for 20 years. Present the assumptions that were used in estimating the operating budget.
- Identify components that have unusually high or low costs and provide the reason for these costs.
- Use the Committed and Conditional Funds form to identify the committed, conditional, and proposed funding for the project. Explain the terms of conditional commitments and when proposed funds will be available.
- List any operating subsidies that the project will receive. Include the source, amount and the length of the subsidy commitment.
- HOME funds cannot be used for contingency and project administration.

SCORING OF PROJECTS (Standard for Review)

The Clark Housing Review Board (CHRB) evaluates HOME eligible projects for potential funding. The eleven member board is made up of the County Treasurer, and persons in housing related businesses including banking, architecture, real estate, public administration, home builder, and private citizens. The Review Board is responsible for evaluation of applications, funding levels and terms, and compliance of projects with program requirements. The Clark County CDBG & HOME personnel serve as staff to the CHRB. The CHRB reviews and scores all funding applications. The final decision of the expenditure of HOME funds is vested with the Board of County Commissioners. For a list of current board members contact Community Services at 360-397-2130.

Projects that provide housing for persons and families with the lowest incomes will be given more consideration. In addition, projects that leverage other resources, demonstrate an attempt to obtain other funds, or can show an ability to get under way in the most timely manner will be given additional consideration.

CONDITIONS OF COMMITMENT

Agencies whose projects are funded with HOME funds are required to sign an agreement enforcing the HOME affordability regulations and policies. The chart is listed below. Included in the agreement will be the loan conditions, which can be up to 50 years. This condition will be secured by a deed of trust and promissory note that will run with the land. Interest rates range from 0-3% amortized up to 50 years.

Applicants may suggest possible loan terms for their projects. The Clark Housing Review Board will offer the final loan terms based on all available information in the application, review by staff, and possibly outside consultants. The philosophy of the CHRB is to recycle or revolve the HOME funds.

Homeownership Assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

Rental Housing Activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed rental housing	20

The County reserves the right to withdraw funding of a project prior to the signing of the Agreement or Contract if there are material changes in the financial condition of the applicant or project. Applicant is required to report any changes to the project from the time of admission of the proposal until the execution of the final agreement or contract.

PROPOSAL SUBMITTAL

The Clark County Purchasing Department (1300 Franklin Street, 6th Floor, P.O. Box 5000, Vancouver, WA) must receive **one (1) original** of the application before 4:30 p.m. December 1, 2003. For additional information contact the CDBG/HOME Program at (360) 397-2130 or TDD 397-6065.

Information contained in these instructions is subject to change without notice.

*Applications must be
received by:*

Office of Purchasing
1300 Franklin Street
Sixth Floor
Vancouver, WA

*no later than MONDAY
DECEMBER 1, 2003
4:30 P.M.*

TABLE 4 - Eligible Beneficiaries

CDBG	HOME
At or below 80% of county median income	At or below 80% of county median income for homebuyers
	At or below 60% of county median income for renters

**CLARK COUNTY
HOME PROGRAM INCOME LIMITS**

Portland - Vancouver Primary Metropolitan Statistical Area
Effective April 2003

Number of Persons in the Family	30% of Median	Very Low Income Family (50% of Median)	60% of Median	Low Income Family (80% of Median)
1	13,800	23,050	27,660	36,850
2	15,800	26,300	31,560	42,100
3	17,750	29,600	35,520	47,400
4	19,750	32,900	39,480	52,650
5	21,300	35,550	42,660	56,850
6	22,900	38,150	45,780	61,050
7	24,500	40,800	48,960	65,250
8	26,050	43,450	52,140	69,500

Portland PMSA Median Income \$65,800

Source: Oregon State Office, U.S. Department of Housing and Urban Development

Previous editions are obsolete

CLARK COUNTY
TABLE 5 - MAXIMUM HOME PER-UNIT SUBSIDY LIMITS
 As of January 2003

Bedroom Size	Subsidy Limits
Efficiency	\$88,058
One Bedroom	100,941
Two Bedrooms	122,743
Three Bedrooms	158,788
Four Bedrooms	174,300

Based on Portland, Oregon Maximum Multifamily limits, Section 221(d)(3) Non-profit, elevator (24 CFR §92.250).

CLARK COUNTY
TABLE 6 - HOME FAIR MARKET RENTS
 As of April 2003

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom	6 Bedroom
Fair Market Rent	\$508	625	771	1,073	1,164	1,338	1,513
65% Rent Limit	508	625	771	1,073	1,164	1,287	1,390
50% Rent Limit	508	616	740	855	953	1,053	1,151

CLARK COUNTY
HOMEOWNER REHABILITATION
 2003

Maximum value of property after rehabilitation with HOME funds as determined by HUD.

1-Family / Condo	2-Family	3-Family	4-Family
\$175,897	\$207,087	\$250,301	\$311,077

Priority Needs Summary Table
(Reference Page 3 of instructions)

PRIORITY HOUSING NEEDS (households)		Priority Need Level High, Medium, Low		Unmet Need	Goals
Renter	Small Related	0-30%	H	1,739	130
		31-50%	H	1,566	110
		51-80%	L	1,112	40
	Large Related	0-30%	H	299	60
		31-50%	H	376	70
		51-80%	M	468	30
	Elderly	0-30%	H	1,010	60
		31-50%	H	784	50
		51-80%	H	376	20
	All Other	0-30%	M	1,049	30
		31-50%	M	1,224	30
		51-80%	L	954	10
Owner		0-30%	H	1,985	80
		31-50%	H	802	60
		51-80%	M	3,058	40
Special Populations		0-80%	H	17,600	60
Total Goals					880
Total 215 Goals					880

ECONOMIC CHARACTERISTICS OF NEIGHBORHOOD
2000 Census Data from US Department of Housing and Urban Development
(Reference for Question #13)

Location	Census Tract	Percent Low-Mod	Points
Camas	406.06	12.08%	
Felida CDP	409.07	15.59%	
Walnut Grove CDP	411.07	15.88%	
Lake Shore CDP	409.08	18.25%	
Hockinson CDP	405.05	19.92%	
Lake Shore CDP	410.08	21.99%	
Washougal	405.06	22.71%	
Camas	413.25	23.08%	
Venersborg CDP	405.04	23.11%	
Hockinson CDP	406.03	23.63%	
Salmon Creek CDP	409.06	24.66%	
Lewisville CDP	402.03	25.67%	
Camas	413.24	25.88%	5 Points
Brush Prairie CDP	407.02	26.44%	
Barberton CDP	408.05	26.68%	
Vancouver city	413.19	26.80%	
Camas	406.05	26.84%	
Vancouver city	413.10	26.87%	
Mount Vista CDP	404.04	27.05%	
Mount Vista CDP	409.05	27.63%	
Hockinson CDP	404.08	29.26%	
Vancouver city	413.15	29.29%	
Amboy/Yacolt	401.02	29.56%	
Salmon Creek CDP	408.03	30.87%	
Five Corners CDP	408.06	30.93%	

CDP = Census Designated Place

Location	Census Tract	Percent Low-Mod	Points
Vancouver city	413.09	31.24%	3 Points
Mill Plain CDP	406.04	31.74%	
Battle Ground	404.06	32.78%	
Vancouver city	413.16	32.87%	
Dollar Corner CDP	404.03	34.28%	
Vancouver city	412.06	34.69%	
La Center	402.01	34.90%	
Washougal	405.08	35.11%	
Five Corners CDP	407.03	35.48%	
Mill Plain	413.21	36.18%	
Battle Ground	404.05	36.87%	
Orchards CDP	407.05	37.19%	
Vancouver city	428.00	37.19%	
Vancouver city	420.00	37.66%	
Vancouver city	413.18	38.15%	
Vancouver city	410.03	38.19%	
Five Corners CDP	411.04	38.28%	
Ridgefield	403.00	38.54%	
Vancouver city	412.01	39.11%	
La Center	402.02	39.81%	
Minnehaha CDP	411.05	41.72%	
Salmon Creek CDP	409.04	42.54%	
Camas	414.00	42.81%	
Amboy/Yacolt	401.01	43.23%	
Vancouver city	429.00	43.24%	
Vancouver city	413.14	43.30%	
Vancouver city	431.00	44.02%	
Hazel Dell North	408.04	45.13%	
Vancouver city	412.05	45.25%	
Vancouver city	421.00	45.64%	
Vancouver city	425.00	46.24%	
Minnehaha CDP	410.09	46.38%	
Vancouver city	413.17	46.45%	
Minnehaha CDP	411.10	46.63%	
Vancouver city	413.23	46.93%	
Lake Shore	410.07	47.60%	
Vancouver city	419.00	48.61%	
Vancouver city	413.20	49.00%	
Camas	415.00	49.20%	
Vancouver city	411.08	49.75%	
CDP = Census Designated Place			

Location	Census Tract	Percent Low-Mod	Points
Vancouver city	410.02	52.30%	0 Points
Vancouver city	413.22	53.98%	
Battle Ground	404.07	54.39%	
Washougal city	405.07	54.55%	
Vancouver city	430.00	54.84%	
Vancouver city	412.03	55.63%	
Five Corners CDP	413.13	56.68%	
Orchards CDP	407.06	57.47%	
Washougal	405.09	60.08%	
Vancouver city	411.09	63.92%	
Vancouver city	413.12	63.93%	
Vancouver city	426.00	66.43%	
Vancouver city	423.00	67.00%	
Vancouver city	418.00	67.29%	
Vancouver city	417.00	77.44%	
Vancouver city	410.05	77.96%	
Vancouver city	416.00	78.47%	
Vancouver city	427	83.00%	
Vancouver city	424	88.16%	

CDP = Census Designated Place